



101540182

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original document or copy thereof

1. Name of conveying party(ies): *MKB 11.15.00*  
 Canadian Imperial Bank of Commerce, as administrative agent

Individual(s)                       Association  
 General Partnership             Limited Partnership  
 Corporation  
 Other

Additional name(s) of conveying party(ies) attached?  
 yes     no

2. Name and address of receiving party(ies)  
 Name: HCC-EDI, LLC, Delaware Limited Liability Company  
 Internal Address: \_\_\_\_\_  
 Street Address: 333 East 38<sup>th</sup> Street  
New York, NY 10016

3. Nature of Conveyance:  
 Assignment                       Merger  
 Security Agreement             Change of Name  
 Other Partial Release of Security Interest in Intellectual Property Collateral

Execution Date: October 24, 2000

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 Other Delaware Limited Liability Company

If assignee is not domiciled in the United States a domestic representative designation is attached:  
 yes     no

(Designations must be a separate document for an assignment)  
 additional name(s) & address(es) attached?  
 yes     no

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)                      B. Trademark Registration No.(s)  
 See Attached Schedule 1                                      See Attached Schedule 1

Additional numbers attached:  yes     no

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: HOWSON AND HOWSON  
 Internal Address: \_\_\_\_\_  
 Street Address: P.O. BOX 457  
One Spring House Corporate Center  
 City: Spring House State: PA Zip: 19477

6. Total number of applications and registrations involved:..... 5

7. Total fee (37 CFR 3.41).....\$ 140.00  
 Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number:  
08-3040  
 (Attach duplicate copy of this page if paying by deposit account)

Do not use this space

9. Statement and signature  
 To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Stanley B. Kita  
 Name of Person Signing

*[Signature]*  
 Signature

November 13, 2000  
 Date

Total number of pages, including cover sheet, attachments, and document: \_\_\_\_\_

SCHEDULE I  
to Trademark Security Agreement

Item A. Trademarks

<u>Trademark</u>	<u>Registration/Serial No.</u>	<u>Registration Date/ Filing Date</u>
THINX FUN AND LEARNING*	75/463,306	April 2, 1998
MINILABS	2,269,099	August 10, 1999
MINILABS	1,706,951	August 11, 1992
PLAYGROUND SCIENCE	2,165,234	June 16, 1998
ARITH-MAGIC	1,288,807	August 7, 1984

\* Intent to Use Application

\*\* Marks to be acquired from Educational Design, Inc. on the Closing Date. HCC-EDI will change its name to Educational Design, LLC post-closing. The name change will be subsequently registered with the Patent and Trademark Office.

PARTIAL RELEASE OF SECURITY INTEREST  
IN  
INTELLECTUAL PROPERTY COLLATERAL

This PARTIAL RELEASE, dated as of October 24, 2000, is made by Canadian Imperial Bank of Commerce, as administrative agent ("Administrative Agent") pursuant to Amendment No.1 to Credit Agreement, dated October 24, 2000, made by and among Hights Cross Operating Company, a Delaware corporation (the "Borrower"), DLJ Capital Funding, Inc., as Syndication agent, Lead Arranger and Book Manager ("DLJ"), and the Administrative Agent (the "Amended Credit Agreement").

WHEREAS, the Borrower, the various financial institutions parties thereto (collectively, the "Lenders"), DLJ, the Administrative Agent, and Fleet National Bank and Bank One, NA, as co-documentation agents for the Lenders, have heretofore entered into the Credit Agreement, dated December 10, 1999, pursuant to which Educational Design, LLC (formerly known as HCC-EDI, LLC, and referred to herein as "Educational Design") as a subsidiary of the Borrower granted security interests pursuant to the Trademark Security Agreement, dated December 10, 1999, between Educational Design and the Administrative Agent (the "Educational Design Trademark Agreement"), a copy of which is attached as Schedule B hereto, recorded at the United States Patent and Trademark Office on January 19, 2000, Reel 002019, Frame 0372.

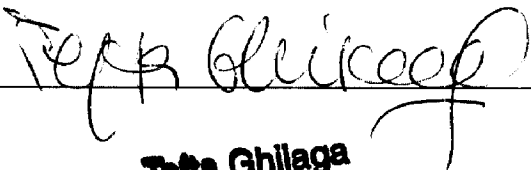
WHEREAS, pursuant to the terms of the Amended Credit Agreement, the Borrower has requested that the Administrative Agent release its security interest in the Trademark Collateral, as defined in the Educational Design Trademark Agreement (the "Released Collateral").

NOW THEREFORE, the Administrative Agent hereby **RELEASES** all of its security interest in the collateral listed on Schedule A attached hereto and made a part hereof.

The Administrative Agent agrees, at the Borrower's expense, to cooperate with the Borrower and its subsidiaries and to provide the Borrower and its subsidiaries with the information and additional authorization necessary to effect the release of the Administrative Agent's security interest in the Released Collateral.

IN WITNESS WHEREOF, the Administrative Agent has executed this Partial Release as of the date first above written.

CANADIAN IMPERIAL BANK OF COMMERCE

By:   
Name:  
Title:

**Tofta Ghilaga**  
**Executive Director**  
**World Markets Corp. As Agent**

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this \_\_\_\_\_ day of October, 2000 personally appeared \_\_\_\_\_ to me known personally, and who, being by me duly sworn, deposes and says that s/he is the \_\_\_\_\_ of the Borrower, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said corporation.


\_\_\_\_\_  
Notary Public  
My commission expires:

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF New York )  
 )  
COUNTY OF Queens )

On this 29<sup>th</sup> day of October, 2000 before me, the undersigned, a Notary Public in and for the county aforesaid, personally appeared Tetta Ghilardi to me known personally, and who, being by me duly sworn, did dispose and say that s/he is the Exec Dir of the Administrative Agent as described in and which executed the above instruments; and s/he has been authorized to execute said instrument on behalf of said Administrative Agent pursuant to said authority.

IN WITNESS WHEREOF, I hereto set my hand and official seal.

  
Notary Public  
My commission expires: 12/12/01

**DENISE D. CLINTON**  
Notary Public, State of New York  
No. 41-4989314  
Qualified in Queens County  
Commission Expires December 2, 2001

SCHEDULE A  
Released Collateral

See attached Schedule I to Educational Design Trademark Agreement.

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of December 10, 1999, is made by HCC-EDI, LLC (the "Grantor"), in favor of CANADIAN IMPERIAL BANK OF COMMERCE, as administrative agent (together with its successor(s) thereto, in such capacity the "Administrative Agent") for each of the Secured Parties

WITNESSETH:

WHEREAS, pursuant to a Credit Agreement, dated as of December 10, 1999 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among Hights Cross Operating Company, a Delaware corporation (the "Borrower"), the various financial institutions and other Persons from time to time parties thereto (collectively, the "Lenders"), DLJ Capital Funding, Inc., as the Syndication Agent (in such capacity, the "Syndication Agent"), the Lead Arranger and the Sole Book Running Manager, the Administrative Agent and Fleet National Bank and Bank One, NA, as the co-documentation agents (in such capacity, the "Co-Documentation Agents"), the Lenders and the Issuer have extended Commitments to make Credit Extensions to the Borrower;

WHEREAS, in connection with the Credit Agreement, the Grantor, as a Subsidiary of the Borrower, has executed and delivered the Subsidiary Security and Pledge Agreement, dated as of December 10, 1999 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security and Pledge Agreement");

WHEREAS, as a condition precedent to the making of the Credit Extensions (including the initial Credit Extension) under the Credit Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Administrative Agent a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce (i) the Lenders and the Issuer to make Credit Extensions (including the initial Credit Extension) to the Borrower pursuant to the Credit Agreement, and (ii) the Secured Parties to enter into Rate Protection Agreements, the Grantor agrees, for the benefit of each Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble, recitals, schedules and exhibits, have the meanings provided (or incorporated by reference) in the Security and Pledge Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Obligations, the Grantor does hereby mortgage, pledge and hypothecate to the Administrative Agent, and grant to the Administrative Agent a security interest in, for its benefit and the benefit of each Secured Party, all of the following property (the "Trademark Collateral"), whether now owned or hereafter acquired or existing by it:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (all of the foregoing items in this clause (a) being collectively called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Item A of Schedule I attached hereto;

(b) all Trademark licenses, including each Trademark license referred to in Item B of Schedule I attached hereto;

(c) all reissues, extensions or renewals of any of the items described in clause (a) and (b);

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clauses (a) and (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Schedule I attached hereto, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license.

SECTION 3. Security and Pledge Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Administrative



Agent in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Administrative Agent for its benefit and the benefit of each Secured Party under the Security and Pledge Agreement. The Security and Pledge Agreement (and all rights and remedies of the Administrative Agent and each Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon (i) the Disposition of any Trademark Collateral in accordance with the Credit Agreement or (ii) the occurrence of the Termination Date, the Administrative Agent shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to release the lien on and security interest in any or all of the Trademark Collateral which has been granted hereunder.

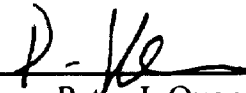
SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security and Pledge Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Loan Document, etc. This Agreement is a Loan Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.

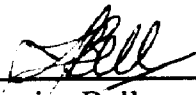
SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

HCC-EDI, LLC

By   
Name: Peter J. Quandt  
Title: Chairman

CANADIAN IMPERIAL  
BANK OF COMMERCE,  
as Administrative Agent

By   
Name: Louise Bell  
Title: Managing Director  
CIBC World Markets Corp.,  
as Agent

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Item B. Trademark Licenses

None.